

An opportunity to help rectify that comes as negotiators from the U.S. and Japan meet to retool a 1952 pact governing flights between the two countries. Under the outdated rules Chicago is artificially held to 20 flights to and from Tokyo a week.

Some in the airline industry are pushing for "open skies" legislation, essentially allowing an unfettered flow of air traffic between the two countries. Negotiations, however, should not be allowed to collapse into an "all-or-nothing" conclusion. While we favor open skies just a liberalized stop-gap measure featuring a phase-in approach would be acceptable. Such a moderate approach is backed by a broad coalition of Midwest businesses, labor, trade, civic and tourism groups.

Economics demand it. currently, Japanese businesses may find the Chicago and Midwestern economic climate attractive, but the hassles of getting here send them searching for other American locales. If restrictions were dropped, the number of trans-Pacific passengers could double by 2000, says the Midwest-Asia Aviation Coalition. The coalition estimates that increased air service could result in 2,670 jobs to the Midwest and \$52 million in additional salaries.

The current system, as Department of Aviation commissioner Mary Rose Loney says, "has put Chicago at a competitive disadvantage with other cities." Chicago is too important an economic engine for the Midwest to be hamstrung by regulations written 45 years ago in the pre-commercial-jet age.

Mr. Speaker, I yield to my colleague on the Subcommittee on Aviation, who also serves with another Illinois colleague who could not be here tonight and talk. The gentleman from Pontiac, IL [Mr. EWING], certainly has been a leader in this country. The gentleman has served with great distinction and has been a very active advocate of getting these talks in place and done so that we can start to open up our trade and air trade, aviation trade with Japan, and certainly hope that this would be expedited, especially in these talks that are going on this month and next week, September 22.

Mr. Speaker, I yield to my good friend, the gentleman from Chicago [Mr. LIPINSKI].

Mr. LIPINSKI. I thank the gentleman from Illinois [Mr. HASTERT] for yielding.

The American and Japanese negotiators are on the verge of replacing this outmoded 1952 agreement with a new accord which would dramatically increase air service between our two countries. Eventually such an agreement can lead to total deregulation or open skies.

I hope that Japan is not posturing. I hope that we are not posturing. I hope that we can use common sense and really make progress. I urge the administration to complete an agreement with Japan this month which liberalizes air service. We really cannot afford to wait. We have waited far too long already.

We have been asking both sides to put aside symbolic differences in the spirit of achieving real gains for consumers and business, not only in Chicago, IL, the Midwest, but really throughout this Nation. Opening up air travel with Japan just will give us enormous economic benefits, not only in this Nation but in Japan also.

Liberalization is a very important first step. The next step in ensuring that the Midwest historical disadvantage in air service to and from Asia is corrected with significant gains in the number of flights.

Mary Rose Loney, the city of Chicago aviation commissioner, said a new agreement is sorely needed even if it stops short of complete open skies. Dogmatic insistence on open skies may forgo present-day opportunities for a greater liberalized regime between the United States and Japan.

I recognize that open skies with Japan is not on the immediate horizon. The United States may need to accept a phased-in approach so our agreements would be like Germany or Canada, ones that started out very slowly but have expanded tremendously.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H. RES. 168, IMPLEMENTING THE RECOMMENDATIONS OF BIPARTISAN HOUSE ETHICS REFORM TASK FORCE

Mr. SOLOMON (during the special order of the gentleman from Illinois, Mr. HASTERT, from the Committee on Rules, submitted a privileged report (Rept. No. 105-250), on the resolution (H. Res. 230) providing for consideration of the resolution (H. Res. 168) to implement the recommendations of the bipartisan House ethics reform task force, which was referred to the House Calendar and ordered to be printed.

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AIR SERVICE NEGOTIATIONS AIM TO INCREASE INTERNATIONAL FLIGHTS

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 7, 1997, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 60 minutes.

Mr. LIPINSKI. Mr. Speaker, I yield to the gentleman from Illinois [Mr. SHIMKUS].

Mr. SHIMKUS. Mr. Speaker, I rise today with my colleagues to urge the administration to complete an agreement with Japan to liberalize air service as soon as possible. As a new legislator, I am amazed at the arcane and outdated restrictions on air services to and from Japan. The restrictions agreed upon over 40 years ago severely limit the number of flights between Chicago's O'Hare airport and Japan.

One might think that at the world's busiest airport, serving approximately 118,000 passengers a day, a wide range of flights to Japan would be available. Yet with 42 weekly flights, even smaller urban airports in Detroit and Minneapolis offer more service than O'Hare. In fact, recently a San Francisco-based firm was looking into relocating to Chicago. However, because of the limited number of flights to Japan, the decision was made not to relocate.

The effects of this restriction are felt not only in Chicago, but throughout the rest of the State. According to a study recently completed by Arthur Andersen, O'Hare misses out on tens of thousands of passengers annually. Since 4 of Illinois' top 10 export markets are in Asia, just one additional flight between Chicago and Japan would generate up to \$503 million annually in total economic impact.

A new agreement would unleash tremendous economic potential for the Asia-Pacific region and enable the Midwest to capitalize on the fastest growing economic market in the world. Again, Mr. Speaker, I urge the administration to complete an agreement with Japan which would liberalize air service and allow the Midwest to share in expanded service to Asia.

Mr. LIPINSKI. Mr. Speaker, I want to thank the gentleman for participating in this special order. I know that his words are sincere, and I think his words were potent.

Before I yield to the gentleman from Illinois [Mr. HASTERT], I would like to make mention of the fact that the gentleman from Illinois [Mr. EWING], who is very much involved in aviation, who serves on the Subcommittee on Aviation, unfortunately has not been able to join us thus far this evening because he is tied up on other business. But in the event that he does not join us by the time we finish our special order tonight, I want everyone within the sound of my voice to know that he, too, supports this and has been very much interested and involved in this issue for a very long period of time.

I yield to the gentleman from Illinois.

Mr. HASTERT. Mr. Speaker, I want to thank the gentleman from Chicago, my colleague and good friend from the other side of the aisle, in joining with this effort tonight. I think the message is strong and clear, strong and clear to our negotiators that are going to Japan next week and to those negotiators in Japan. It is time that we see eye to eye. It is time that we start to let competition into the process. It is time to let U.S. air carriers have the rights to carry passengers beyond Tokyo. It is time to have the right of U.S. carriers to be able to move from cities in the Midwest to other cities, such as Osaka. Those decisions should be forthcoming. They should be made next week. There are many, many people here in this Congress that are urging that to happen.

Again I thank the gentleman from Chicago.

Mr. LIPINSKI. I thank the gentleman from Illinois [Mr. HASTERT], a leader from the Republican side of the aisle, for taking the 1-hour special order and then joining in the 1-hour special order that I have on this very important topic. It has been through his leadership here in the House of Representatives that many of us have been very fortunate to be able to achieve a number of legislative goals that we